

MEMORANDUM FOR THE RECORD

7 January 1957

SUBJECT: Specialty Folders Used in Purchase Order Files, Administrative and Control Staff, Procurement Division.

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1. The use of subject folders was discussed today with [redacted] of the Office of Logistics.
Here are my findings:

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a. In July 1956, RMS [redacted] recommended discontinuing the 2nd/3rd position specialty folders (Item one in the attached memo). This was concurred in by [redacted]. 25X1A9a

b. Since that decision, a need has arisen for the 2nd/3rd position folder. Briefly, the 2nd/3rd position folder serves as a hold file for a copy of the requisition, pending processing of the purchase order or other form of procurement. If an item is procured by an outright purchase (i.e., not by a contract or through the military services), the procurement papers are sent to the file room in a 4th/5th cut folder. Upon filing this fourth/fifth cut folder, the file clerk removes the copy of the requisition from the 2nd/3rd cut folder and files it in the respective 4th/5th cut folder. The 2nd/3rd cut folder is then removed and destroyed.

If all procurement actions were handled as outright purchases, there would be less need for the special 2nd/3rd cut folders. Straight cut standard folders might do. However, in 10% or more cases, procurement actions take the form of special purchases (covert), contract purchases, or military purchases. When cases are handled in either of these ways, a 4th/5th cut folder is not sent to the file room. Accordingly, the 2nd/3rd cut folder, originally set up to hold the requisition, is used as the permanent reference file. Actually, this is a desirable feature, for the 2nd/3rd cut folders point up these special procurement actions.

c. I stated above that if all procurement actions were outright purchases, straight cut standard folders could be used in lieu of the 2nd/3rd cut type. However, this would not be desirable for the straight cut would tend to obscure the "open" tabs on the 4th/5th cut folders.

2. I therefore, recommend that we approve use of the 2nd/3rd cut special folders. Based on requirements stated in the attached memorandum the added annual cost for these folders should not exceed about \$350. The advantages of the system justify this cost.

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3. [REDACTED] proposes to originate another requisition for the 2nd/3rd cut folders. I suggested that our approval of the requisition be handled by phone. These special folders are to be carried as a stock item for stock control purposes. However, only the Procurement Division will be able to requisition them since they will be listed as "allocated" items.

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Attachment

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